

## General Terms and Conditions of Siemens, s.r.o.

### 1. General

- 1.1 The scope, quantity, quality, functionality and technical specifications of any goods, equipment, documentation, software, work or services to be provided by Siemens (collectively referred to as "**Works**") are exclusively defined as the case may be either in the order confirmation of Siemens or the Contract signed by the Customer and Siemens.
- 1.2 The offer letter from Siemens together with these terms and conditions and those other documents expressly identified in the offer letter as forming part of the contract shall together constitute the entire agreement between the parties (the "**Contract**"). Any terms and conditions of the Customer shall apply only where expressly accepted in writing by Siemens.
- 1.3 References in the Contract to "**Siemens**" are to the Siemens legal entity which signs the Contract, unless the context otherwise requires. References to the "**Customer**" are to the legal entity to whom the offer letter is addressed.
- 1.4 The Customer explicitly confirms that he has read, understood and agreed with the Article 8.4, 12.6 and 17.7 of these terms and conditions.

### 2. Rights of Use

- 2.1 Except as expressly otherwise agreed in this Contract, as between the parties all intellectual and industrial property rights in the Works, in all documents provided by Siemens in connection with this Contract (the "**Documents**") and in all software, hardware, know how ("**IPR**"), and other things provided with or as part of the Works and the Documents shall be the exclusive property of and vest in Siemens. The Customer may not reverse engineer, decompile, or reproduce (or have reverse engineered, decompiled, or reproduced) the Works or parts thereof except only to the extent permitted to do so by the applicable law or specifically authorized in writing by Siemens.
- 2.2 The Customer may use the Documents unmodified and to the extent necessary for operation and routine maintenance of the Works by the Customer's own personnel, unless explicitly agreed otherwise in writing by Siemens.
- 2.3 If the Works include Siemens software, such software is licensed under the licence terms contained in the software documentation, the software itself or in attached licence terms (in each case the "**applicable license conditions**"), which shall prevail over this Clause 2. The software is issued in object code without source codes. The licence only grants the non-exclusive right to use the software as described in the applicable licence conditions or, if no such terms are provided, for the purpose of operation and routine maintenance of the Works.
- 2.4 The Works may include third party software. Insofar as specific licence terms of the third party licensor apply, Siemens will provide such terms together with the Works. The Customer shall comply with such third party licence terms.
- 2.5 Insofar as the software contains Open Source Software ("**OSS**"), Siemens will provide the applicable OSS licence terms together with the Works. The OSS licence terms shall prevail over this Contract. Details regarding any third-party software and the OSS contained in the Works are available in the software documentation (e.g. README\_OSS).
- 2.6 The rights granted in Clause 2 shall be transferable to a third party only together with the transfer of ownership of all of the Works to that third party.
- 2.7 Without prejudice to the Customer's intellectual property rights and subject to compliance with applicable law, Siemens and its Affiliates may for its own business purposes collect, use, modify, and copy any data received under this Contract. Any legal obligations regarding personal data shall remain unaffected.

## 3. Prices and Terms of Payment

- 3.1 Unless agreed otherwise in writing, prices exclude packing, freight, insurance and any other additional charges (such as storage, inspections by third parties). The price payable by the Customer for the Works under this Contract shall be referred to in this Contract as the “**Contract Price**”.
- 3.2 Unless explicitly stated otherwise, if Siemens undertakes any erection, assembly, installation, commissioning or testing of the Works or a part of the Works outside Siemens' own premises (“**Works on Site**”), the Customer shall bear all incidental costs, such as travel expenses, daily allowances, in addition to the Contract Price.
- 3.3 The Contract Price is exclusive of any indirect taxes (such as property, license, sales, use, value added or similar tax) and/or any duties, customs or public charges related to the Contract. The Customer agrees to pay to or reimburse Siemens for any taxes, customs, duties or other public charges levied in relation to the Works. All payments shall be made to Siemens' bank account without deduction (e.g. deduction of withholding tax) within 30 days after issuance of the invoice. If the Customer is required to make a deduction by law, the sum payable shall be increased so that Siemens receives a net amount equal to the amount it would have received without such deduction. The Customer shall provide to Siemens tax receipts in connection with the payments in due course.
- 3.4 Without prejudice to any other rights it may have, Siemens may charge interest at 9 percentage points above the current base lending rate of the Czech National Bank on any overdue payments.
- 3.5 Each party must pay all sums that it owes to the other party under this Contract free and clear without any set-off, counterclaim, deduction or withholding of any kind, save as agreed otherwise in writing or as may be required by law.

## 4. Delivery Times, Delay and Contractual penalty

- 4.1 Any agreed dates for performance of the Works or any part of it shall be extended by a reasonable period of time if and to the extent that Siemens is delayed or impeded in the performance of its obligations by any third party or by the failure of the Customer to perform its obligations. This includes without limitation the delivery of required documents (such as necessary permits and approvals), timely performance of any work to be undertaken by the Customer or any third party appointed by the Customer, and compliance with the terms of payment.
- 4.2 Siemens may, if it is reasonable to do so, deliver the Works in stages or instalments and shall be entitled to invoice for the Works on a corresponding basis.
- 4.3 If Siemens does not meet the agreed final delivery or final completion date solely due to the fault of Siemens, the Customer shall be entitled to contractual penalty amounting to 0.5% of the price of the delayed part of the Works. Contractual penalty payable in case of delay shall be limited to 5% of the price of the delayed part of the Works, but in any case shall not exceed 5% of the Contract Price.
- 4.4 Any rights and remedies of the Customer in case of delay other than those expressly stipulated in this Clause 4 and in Clause 16.2 a) below shall be excluded, to the extent permissible by law.
- 4.5 If the Customer, the Customer's contractors, or any other third party appointed by the Customer causes a delay to the provision of the Works, the Customer shall reimburse Siemens all reasonable additional costs and expenses incurred due to such delay.

## 5. Transfer of Risk and Title

- 5.1 Risk of damage to or loss of the Works shall pass to the Customer as follows: (i) if the Works do not include assembly or erection upon delivery and (ii) if the Works include assembly or erection upon acceptance as specified in Clause 9.
- 5.2 The Works shall be deemed delivered if and when the Customer fails to accept delivery without cause. In such case, the Works can be stored and insured at the risk and expense of the Customer, any

payment obligations of the Customer shall become due, and all other consequences of the delivery shall apply accordingly (the Customer shall be obliged to perform its obligations according to the contract as if the Supplies have been delivered). The same consequences shall apply on the scheduled date of delivery if the dispatch is postponed for reasons attributable to the Customer.

- 5.3 Title in any part of the Works shall remain with Siemens until Siemens has received full payment for that part of the Works.

## 6. Force Majeure

- 6.1 A **"Force Majeure Event"** means any event which is beyond the reasonable control of a party or its subcontractors, which could not have been prevented by good industry practice and which results in a party, its Affiliates or any of its sub-contractors or sub-suppliers (the **"Affected Party"**) being unable to perform or being delayed in performing in whole or in part its obligations under this Contract. Force Majeure Events include, among others, acts of war, riot, civil commotion, terrorism, natural disaster, epidemic, strikes, lock-outs, attacks on Siemens' IT systems (such as virus attacks, hacker attacks), non-issuance of licences, permits, or approvals, or any other act or failure to act by any public authority, or embargos or any other trade sanctions imposed by the European Union (EU) or the United States of America (U.S.) or any public authority within EU or U.S. territory or by the United Nations which, upon sole discretion of Siemens, may expose Siemens or any of its Affiliates to sanctions, penalties, loss of privileges or other acts or omissions of public authorities detrimental to Siemens or any of its Affiliates, or any subcontractor or sub-supplier rejecting delivery due to reasons like those as stated herein, acts or omissions of public.
- 6.2 If a Force Majeure Event occurs, the Affected Party will be deemed not to be in breach of its obligations under the Contract for so long as and to the extent necessary to overcome the effects of the Force Majeure Event.
- 6.3 The Affected Party shall notify the other party as soon as reasonably practicable of the Force Majeure Event and of its affected obligations.
- 6.4 If one or more Force Majeure Events and their effect last for a period of 180 days in aggregate either party may terminate the Contract by giving to the other a written notice of termination with regard to the part of the Works not yet provided. With regard to the part of the Works not yet provided, Siemens shall be entitled to reimbursement from the Customer of its unavoidable costs related to such termination.

## 7. Obligations of the Customer

- 7.1 The Customer shall apply for and obtain all necessary licences, permits and approvals required for commissioning, acceptance and use of the Works.
- 7.2 The provision of the Works shall be subject to the Customer providing, at its own expense and in a timely manner, everything reasonably required to ensure that Siemens' personnel are able to commence work in time and to carry out the Works in an uninterrupted manner. For Works on Site, the Customer shall provide, without limitation:
- a) unrestricted access to the site and related infrastructure,
  - b) assistance with regard to obtaining required visas, work and residence permits and customs clearance for personnel or equipment of Siemens or its subcontractors,
  - c) all earth-moving and construction work and other ancillary services to the extent not expressly included within Siemens' scope of Works including the necessary works, materials and tools,
  - d) equipment, tools and materials necessary for Siemens' performance of the Works such as scaffolding, lifting equipment etc.,
  - e) energy, water, internet access, heating and lighting,
  - f) suitable, dry and lockable rooms for the storage of materials, tools etc. and adequate working and recreation rooms for personnel of Siemens or its subcontractors, including telephone and communication lines and appropriate sanitary facilities,
  - g) all necessary health and safety measures to protect the personnel and the property of Siemens and its subcontractors,

- h) all necessary information concerning the location of concealed electric power, gas and water lines or of similar installations as well as all required data concerning static and sub-surface conditions of the Site, and
- i) provide all necessary materials and equipment to start Works on Site and make sure that the Works on Site can be started as agreed and carried out without interruption.

7.3 The Customer acknowledges that Works on Site may generate and/or uncover hazardous waste which is subject to specific legal or regulatory requirements under applicable laws “hazardous materials” or “hazardous waste”.

If Siemens discovers hazardous materials (including asbestos), environmentally hazardous substances, geological or geothermal conditions, archaeological findings or any other local environmental conditions which have an adverse effect on the Works, the Customer shall be liable for any required remediation and shall also reimburse Siemens for any reasonable additional costs and expenses. The Customer shall, at its expense, provide containers complying with all legal and regulatory requirements and shall handle, store and dispose of hazardous waste in accordance with the applicable laws.

7.4 Siemens shall comply with the Customer's site rules and regulations when performing Works on Site, provided that the Customer informs Siemens, in writing, of all relevant site rules and regulations in force at the premises within a reasonable period of time prior to performance of the Works on Site.

Siemens shall not be obliged to provide the Works on Site in unhealthy or dangerous surroundings. All the necessary safety and precautionary measures shall be taken by the Customer, at no cost to Siemens, before the Works on Site commence and shall be maintained by the Customer during Siemens' performance of the Works on Site.

The Customer shall inform Siemens prior to the execution of any Works on Site about potential health or safety risks which may originate from the Customer's plant or equipment or may exist at Customer's site, including but not limited to hazardous materials which may exist in addition to those already specifically addressed in the Contract or which may be generated or released in the course of the Works on Site (“**HS Risks**”).

If a potential health or safety risk arises, then, without limiting its other rights and remedies, Siemens may suspend its work until the respective health or safety risk has been permanently eliminated, or protective and preventive measures required by Siemens have been taken by the Customer.

The Customer shall reimburse Siemens all additional costs incurred by any special protective and preventive measures as deemed necessary by Siemens to deal with existing HS Risks as well as costs resulting from the suspension. The contractual schedules, agreed dates, and other time limits shall be adjusted accordingly.

7.5 For any portion of the Works performed by Siemens and/or its subcontractors on a time basis, the Customer shall confirm with Siemens on a weekly basis the hours worked by Siemens' and/or its subcontractors' personnel.

## 8. Changes to the Works, Variations

8.1 Either party may at any time request in writing changes, modifications or additions to the scope of the Works (hereinafter referred to as “**Variation**”). Upon receipt of a Variation request, Siemens shall provide the Customer with a written quotation for the requested Variation, specifying the effects of the requested Variation on the Contract, including any necessary adjustment of the Contract Price, time schedules and agreed dates, scope of the Works and any other affected provisions of the Contract.

If the Customer wishes to proceed with a requested Variation on the basis of Siemens' quotation, the Customer shall notify Siemens thereof in writing within 14 days of receipt of the quotation. Siemens is not obliged to give effect to the Variation until it has been agreed in writing by the parties.

- 8.2 If applicable laws, rules and regulations, engineering standards and codes of practice, and decisions or guidance issued by courts or public authorities are amended or added to after the date of Contract signature, Siemens shall be entitled to an adjustment of the Contract, including inter alia an adjustment of the Contract Price to reflect any additional costs to be incurred by Siemens, the time schedules and scope of Works, as necessary in order to compensate for any adverse effects or additional requirements deriving from such changes.
- 8.3 Without prejudice to the parties' right to request Variations, Siemens may at any time make changes to the Works without the Customer's prior approval, provided such changes by Siemens do not adversely affect the agreed operability, functionality or technical characteristics of the Works. Siemens shall not be entitled to any additional payment, extension of time, or other adjustment of the Contract in respect of such changes.
- 8.4 The Customer shall assume the risk of changes of circumstances according to Sections 1764 to 1766 of the Civil Code.

## 9. Acceptance

- 9.1 If the Works are subject to acceptance, the Customer shall accept the Works upon their completion including successful performance of acceptance tests if such tests have been agreed on. In case of partial delivery, the Customer shall accept functional parts of the Works separately upon their completion.
- 9.2 If Siemens notifies the Customer that the Works or a part of the Works are ready for acceptance, the Customer shall declare the acceptance of the Works or relevant part in writing within two weeks of the notified date. Upon expiry of the two week period the Works or relevant part of the Works shall be deemed accepted, unless the Customer has stated and substantiated in writing legitimate grounds on which it refuses acceptance. The acceptance shall be effective as of the date of Siemens' notification.
- 9.3 In any case, the Works or parts of the Works shall be deemed accepted as soon as they are put into commercial operation or if the acceptance tests have not been carried out within 1 week after their scheduled dates due to reasons not attributable to Siemens.
- 9.4 The Customer shall be entitled to refuse acceptance only in case of Defects (as defined in Clause 10.1 below) in the Works which significantly affect the use of the Works. Those items shall be listed in the acceptance record and shall be remedied by Siemens within a reasonable period of time or as agreed between the parties.
- 9.5 In the event performance tests, functional tests, and/or trial runs are to be carried out by Siemens after the Works have been accepted pursuant to the previous paragraphs, acceptance shall not be affected by any failure to pass said tests.
- 9.6 All costs and expenses of the Customer and any third parties (other than those of Siemens' own personnel or contractors) incurred in connection with inspections, tests, approvals, acceptance procedures etc. shall be borne by the Customer.

## 10. Defects Liability

- 10.1 In this Contract, and subject to Clause 10.2, a defect shall mean any non-conformity of the Works with the express terms of this Contract resulting from circumstances existing in the Works at the time of the transfer of risk to the Customer ("**Defects**").
- 10.2 The following shall not be Defects:
- normal wear and tear, non-conformity resulting from excessive strain,
  - non-conformity resulting from faulty or negligent handling; non-compliance with instructions or recommendations in operation or maintenance manuals and other documents;
  - installation, erection, modification, commissioning, or pre-commissioning, in each case not carried out by Siemens,
  - non-reproducible software errors,
  - defects which do not significantly impair the use of the respective Works.



10.3 The Customer shall notify Siemens in writing of any Defects without undue delay. Upon such written notification, Siemens shall, at its option, remedy a Defect by repair, replacement, or re-performance. Siemens shall be given a reasonable period of time and opportunity to remedy the Defect. For this purpose, the Customer shall grant Siemens working access to the non-conforming Works, shall undertake any necessary dis-assembly and re-assembly, and shall provide access to operation and maintenance data, all at no charge to Siemens. Upon Siemens request, the Customer shall ensure that the title to the replaced parts/items shall pass to Siemens.

Insofar as a part has to be merely delivered, the Customer shall immediately inspect that part and shall notify Siemens in writing of any Defects without undue delay. Customer's claims for defects shall be excluded for any apparent defects, if the Customer has failed to do so.

10.4 Unless otherwise agreed, the defects liability period for the Works is 12 months. It starts at the date of transfer of risk.

For replaced or repaired parts of the Works, the defects liability period is 6 months from the date of replacement or repair, if the original defects liability period for the Works expires earlier. In any event, the defects liability period shall end no later than 24 months from the beginning of the original defects liability period.

Siemens is not liable for any Defects unless notified in writing by the Customer to Siemens before the end of the defects liability period.

10.5 If software is defective, Siemens shall only be obliged to provide the Customer with an updated version of the software in which the Defect has been remedied when such updated version is reasonably available from Siemens or, if Siemens is only licensee, from Siemens' licensor. If the software has been modified or individually developed by Siemens, Siemens shall in addition provide the Customer with a workaround or other interim corrective solution until the provision of an updated version of the software, if such workaround or interim solution is feasible at reasonable expense and if otherwise the Customer's business operations would be substantially impeded.

10.6 If Siemens carries out remedial work and it is ultimately not established that there was a Defect, the Customer shall pay Siemens for such remedial work including error diagnosis.

10.7 Any other liability of Siemens and rights and remedies of the Customer in case of Defects in the Works, other than those expressly stipulated in this Clause 10 or, in case Siemens failed at least three times in remedying the defect, in Clause 16.2 b), shall be excluded. All warranties, representations, conditions, and all other terms of any kind whatsoever implied by law are, to the fullest extent permitted by applicable law, excluded from this Contract.

## 11. Intellectual Property Rights

11.1 If a third party asserts legitimate claims against the Customer that the Works infringe an IPR owned by such third party, then subject to the following provisions of this Clause 11, Siemens shall, at its option and expense, either:

- a) obtain a right to use the relevant IPR in connection with the Works; or
- b) modify the Works so as not to infringe the relevant IPR; or
- c) replace the infringing part of the Works.

If, in the opinion of Siemens, none of the foregoing is reasonably possible, Siemens may take back the relevant part of the Works and reimburse the price for such part.

11.2 Siemens' obligation in Clause 11.1 is subject to the following conditions:

- a) The Customer has immediately notified Siemens in writing of the third party's claim and furnished Siemens with a copy of each communication, notice or other action relating to the alleged infringement,
- b) the Customer does not acknowledge an infringement and provides Siemens with the authority, information and assistance reasonably required by Siemens to defend or settle such claim, and

- c) Siemens is given sole control of the defence (including the right to select counsel), and the sole right to settle such claim.

If the Customer ceases to use the Works or any relevant portion thereof, it shall notify the third party in writing that this cessation of use is not an admission of IPR infringement.

- 11.3 Any claims of the Customer shall be excluded if the Customer (including its agents, employees or contractors) is responsible for the IPR infringement, which shall include without limitation if the IPR infringement was caused by specific demands of the Customer, by use of the Works for a purpose or in a manner not foreseeable by Siemens, by a modification of the Works by the Customer or by use of the Works in connection with other equipment.
- 11.4 This Clause 11 sets forth Siemens's entire liability for infringement of third party IPRs. Any other rights and remedies of the Customer shall be excluded.

## 12. Liability

- 12.1 Unless explicitly stipulated in this Contract, this Clause 12 shall exclusively govern the liability of Siemens for damages, costs and expenditures, regardless of the legal theory upon which it is based, including, but not limited to liability in Contract, in tort (including negligence), misrepresentation, indemnity, under warranty or otherwise.
- 12.2 Siemens shall be liable for bodily injuries and for intentional acts or omissions pursuant to the applicable law.
- 12.3 Siemens shall in no event be liable, whether pursuant to any indemnity or in contract, tort (including negligence and statutory duty) or otherwise for loss of profit or revenue, loss of production, interruption of operations or loss of use, cost of capital, loss of interest, loss of information and/or data, for claims arising from Customer's contracts with third parties, or for any indirect or consequential damage.
- 12.4 Siemens' total liability, whether pursuant to any indemnity or in contract, tort (including negligence and breach of statutory duty) or otherwise arising by reason of or in connection with the Contract shall not exceed in the aggregate (i) € 500.000 for Contracts with a Contract Price up to € 2.000.000 and (ii) 25% of the Contract Price for Contracts with a Contract Price above € 2.000.000. For the avoidance of doubt, the same shall apply to damage or loss caused to the Works by Defects or remedial work carried out by Siemens after delivery to or acceptance of the Works by Customer, as the case may be.

For any type of loss or damage, Siemens' total aggregate liability arising out of or in connection with this Contract shall not exceed the Contract price or the amount of € 1,000,000, whichever is lower.

- 12.5 Any limitations of liability set forth in this Contract shall also apply for the benefit of Siemens' subcontractors, employees, agents or any other person acting for Siemens.
- 12.6 If the performance under the contract is to be provided for the fulfilment of the Customer for the benefit of a third party and the Customer is not to be the end user or sole user of the supply or its part, the Customer is obliged to ensure that his liability to this third person is limited to the same scope as the scope of liability between Siemens and the Customer is limited under these terms and conditions. Should the Customer and third party for which the fulfilment under the contract is provided fail to appropriately agree such limitation of liability, the Customer will be obliged to compensate Siemens for any damages in an amount equal to the difference between the compensation of damages really paid by the Siemens to a third party and the damages which would otherwise be paid to the third party if the above mentioned limitation of liability was applicable.
- 12.7 The limitations of liability set forth in this Clause 12 or in any other Clause of the Contract shall not apply in the case of mandatory liability.
- 12.8 Any and all liability of Siemens under this Contract shall cease with the expiry of the defects liability period of the Works, unless it contradicts mandatory provision of the law.

12.9 Any rights and remedies of the Customer against Siemens that are not expressly stipulated in the Contract shall be excluded.

12.10 To the extent the Works include supervision, Siemens is only obliged to provide correct and clear instructions and shall not be liable for the consequences of any non-compliance with those instructions.

### **13. Assignment and Sub-contracting**

13.1 The Customer may not assign this Contract or any part thereof without Siemens' prior written approval.

13.2 Siemens may assign the Contract or any part of it to an affiliated company ("**Affiliate**"), being any legal entity ("**Company**") which directly or indirectly is controlled by Siemens, controls Siemens or is controlled by a Company which directly or indirectly controls Siemens.

13.3 Siemens shall further be entitled to assign the whole Contract or a part of it to any third party, in the event of a sale or other transfer of the business (enterprise as going concern) or a part of the business (part of enterprise as going concern) of Siemens to a third party.

13.4 Siemens may sub-contract parts (but not all) of the Works.

### **14. Confidentiality**

14.1 The parties shall use any documents, know-how, data or other information provided by the other party ("**Information**") exclusively for the purpose of this Contract and keep the same confidential subject to the following. The parties may disclose Information to employees of the receiving party and to third parties who reasonably need to know such Information for the purpose of the Contract provided such employees and third parties are bound by equivalent confidentiality obligations. The party disclosing Information shall be held liable for a breach of such obligations by its employees or a third party.

14.2 This confidentiality obligation shall not apply to Information which

- a) is or becomes part of the public domain other than by fault of the receiving party;
- b) is disclosed to the receiving party in good faith by a third party who is entitled to make such disclosure;
- c) is developed independently by the receiving party without reliance on Information;
- d) was known to the receiving party prior to its disclosure by the other party; or
- e) is required to be disclosed by law (subject to the receiving party's obligation to notify the disclosing party in a timely manner of such requirement).

14.3 This confidentiality obligation shall survive the expiration or termination of this Contract.

### **15. Suspension**

15.1 Siemens may suspend performance of its obligations under the Contract, if (i) the Customer is in delay with any payment or in providing any payment security required under this Contract for more than 30 days, (ii) the Customer fails to perform those of its obligations necessary for Siemens to provide the Works, or (iii) the Customer otherwise materially breaches the Contract, or (iv) the Customer is in default against Siemens with any payment based on the other contractual relationship concluded by Siemens and the Customer (during the period of such default, Siemens is not in default with performance of Works in question and the agreed time is proportionally extended by the time corresponding at least to the aforementioned default of the Customer).

15.2 If Siemens suspends the Contract in accordance with Clause 15.1 or in the event the Customer suspends the Contract without the express written agreement with Siemens, the Customer shall become immediately liable to pay Siemens for all parts of the Works already provided. The Customer shall further reimburse Siemens all reasonable additional costs and expenses incurred as a result of such suspension (e.g. payments to subcontractors, cost of waiting time, demobilization and remobilization, etc.). Any contractual dates shall be extended for a reasonable period to overcome the effects of the suspension.



## 16. Termination

- 16.1 Either party may terminate this Contract with immediate effect by written notice, if the other party becomes bankrupt or insolvent, has a receiving order made against it or compounds with its creditors, or carries on business under a receiver, trustee or manager for the benefit of its creditors or goes into liquidation.
- 16.2 Save as provided under Clause 6.4 and Clause 16.1, the Customer may terminate the Contract only in the circumstances set out below and in each case upon 14 days written notice to Siemens:
- a) in the event of delay, if the maximum contractual penalty under Clause 4.3 is payable, a reasonable additional period of time for provision of the Works has been granted to Siemens and has expired, and within that time Siemens has not provided a commitment to pay further contractual penalty exceeding the before-mentioned maximum contractual penalty in respect of the continuing period of delay; or
  - b) in the event Siemens has materially breached the Contract and has not remedied the breach within a reasonable period after receiving written notification of the breach from the Customer.
- 16.3 Any termination by the Customer shall not affect those parts of the Works already delivered or performed in accordance with the Contract prior to the termination. After termination of the Contract in accordance with Clause 16.2, the Customer shall remain liable to pay Siemens for all parts of the Works already provided prior to termination. The Customer shall be entitled to compensation for the reasonable costs incurred in excess of the Contract Price if it has had the Works completed by a third party. For the avoidance of doubt, Clause 12 shall apply in case of termination. The right to rescind the Contract is excluded.
- 16.4 Notwithstanding any other rights it may have under this Contract, Siemens may terminate the Contract
- a) if the Customer comes under the direct or indirect control of any competitor of Siemens, or
  - b) if the Customer materially breached the Contract and has not remedied the breach within a reasonable period after a notification by Siemens or is in delay in making any payment or in any providing any payment security required under this Contract for more than 60 days; or
  - c) if the Contract has been suspended for more than 60 days.
- 16.5 In the event of termination by Siemens, Siemens shall be entitled to recover from the Customer (i) the Contract Price less any saved or avoided expenditure and (ii) any additional cost and expenses incurred by Siemens due to such termination.

## 17. Dispute Resolution, Applicable Law

- 17.1 The Contract and any dispute or claim arising out of, or in connection with, it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the substantive laws of the Czech Republic. The UN Convention on Contracts for the International Sale of Goods shall not apply.
- 17.2 If a dispute arises out of or in connection with this Contract, the responsible representatives of the parties shall attempt, in fair dealing and good faith, to settle such dispute. Upon request of a party, a senior management representative of each party shall participate in the negotiations. Each party shall be entitled to terminate these attempts by written notification to the other party(-ies) at any time.

Nothing in this Clause shall limit the right of the parties to seek relief intended to preserve the status quo or interim measures in any court of competent jurisdiction or arbitral tribunal.

- 17.3 The parties shall attempt to agree on a procedure for alternative dispute resolution (“**ADR**”) and the applicable procedural rules (including time limits) within 14 calendar days after a termination notice under Clause 17.2 has been received by the other side. If the parties fail to agree on such procedure each party shall be entitled to refer the dispute to arbitration pursuant to Clause 17.4.

- 17.4 All disputes arising out of or in connection with the Contract which are not resolved pursuant to Clause 17.2 and 17.3 including any question regarding the termination or any subsequent amendment of the Contract shall be finally settled in accordance with the Rules of Arbitration of the International Chamber of Commerce (“ICC”). If the value of the total matter in dispute, including the value of any counterclaims, is less than € 1,000,000, the tribunal shall consist of one arbitrator and if the value of the total matter in dispute is € 1,000,000 or more the tribunal shall consist of three arbitrators. If the tribunal consists of three arbitrators, each party shall nominate one arbitrator for confirmation by the ICC. Both arbitrators shall agree on the third arbitrator, within 30 days after their appointment. Should the two arbitrators fail to reach agreement on the third arbitrator within the thirty-day period, the ICC shall select and appoint the third arbitrator.
- 17.5 The seat of arbitration shall be Prague, the Czech Republic. The language to be used in the arbitration proceeding shall be Czech. Any order for the production or disclosure of documents shall be limited to the documents on which each party specifically relies in its submission(s).
- 17.6 Upon request of a party, the arbitral tribunal shall order any claiming or counterclaiming party to provide security for the legal and other costs of any other party related to that claim or counterclaim, by way of bank guarantee or in any other manner and upon such terms as the arbitral tribunal considers appropriate.
- 17.7 Section 558 (2), Section 1726, Section 1728, Section 1729, Section 1740 (3), Section 1744, and Section 1757 (2) and (3), Section 1765, Section 1798 to 1800, Section 1950, Section 1995 (2) and Section 2630 of the Civil Code shall not apply. The parties expressly confirm that this contract shall be concluded by them as entrepreneurs within their business. Neither of the parties has a weaker position towards the other party.

## 18. Export Regulations

- 18.1 If the Customer transfers the Works (hardware and/ or software and/ or technology as well as corresponding documentation and/ or works and services, regardless of the mode of provision, and/ or including all kinds of technical support) provided by Siemens to a third party worldwide, the Customer shall comply with all applicable national and international (re-) export control regulations. In any event the Customer shall comply with the (re-) export control regulations of the Federal Republic of The Czech Republic, of the European Union and of the United States of America.
- 18.2 If required to conduct export control checks, the Customer, upon request by Siemens, shall promptly provide Siemens with all information pertaining to a particular end customer, destination and intended use of the Works provided by Siemens, as well as any export control restrictions existing.
- 18.3 The Customer shall indemnify and hold harmless Siemens from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any non-compliance with export control regulations by the Customer, and the Customer shall compensate Siemens for all losses and expenses resulting therefrom, unless such non-compliance was not caused by the fault of the Customer. This provision does not imply a change in the statutory burden of proof.

## 19. Miscellaneous

- 19.1 Siemens shall not be obliged to fulfill this Contract if such fulfillment is prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargoes or other sanctions. Siemens shall further not be obliged to fulfill this Contract if Siemens or any of its Affiliates would be exposed to, or adversely affected by, detrimental measures, penalties, loss of privileges or any other acts or omissions of government, governmental or other public authorities including any entities acting on their behalf (or threats thereof), or any subcontractor or sub-supplier rejects delivery due to the same reasons.
- 19.2 If any provision of this Contract is prohibited or declared invalid or unenforceable by any court or tribunal of competent jurisdiction, this shall not affect the validity or enforceability of any other provision. The parties shall use their reasonable efforts to substitute such provision by a legal, valid or enforceable one with the same or a similar result.

- 19.3 Any amendments, changes or additions to this Contract must be made in writing in the form of a written agreement signed by authorised representatives of both parties.
- 19.4 No delay or omission by either party in exercising any right, power or remedy provided by law or under this Contract shall affect, impair or operate as a waiver of such right, power or remedy.
- 19.5 This Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter. Each party acknowledges that in entering into this Contract it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation based on any statement in this Contract.
- 19.6 This Contract is drawn up in the Czech and English language. The Czech language text shall in any event prevail.